

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> , ¹	§	Case No. 22-90341 (CML)
	§	
DEBTORS.	§	(Jointly Administered)
	§	

**NOTICE OF PERFECTION, CONTINUATION, OR MAINTENANCE OF
INTEREST IN PROPERTY PURSUANT TO 11 U.S.C. § 546(b)**

North Texas Contracting, Inc. ("NTC"), a secured creditor and holder of claims against Core Scientific Inc. (the "Debtor," together with its affiliates and debtors-in-possession, collectively, the "Debtors"), a debtor in the above-captioned, jointly-administered bankruptcy cases (the "Chapter 11 Cases"), hereby files this notice (the "Notice") pursuant to 11 U.S.C. § 546(b) of Title 11 of the United States Code, 11 U.S.C. § 101, *et. seq.* (the "Bankruptcy Code").

1. Specifically, Section 546(b)(2) of the Bankruptcy Code provides, in relevant part, that when applicable non-bankruptcy law requires seizure of property or commencement of an action to accomplish perfection, maintenance, or continuation of perfection of an interest in property, the claimant may, provided that it timely file a notice with the bankruptcy court, continue or maintain perfection of its interest in the property.²

2. Pursuant to Section 546(b) of the Bankruptcy Code, and out of an abundance of caution, NTC files this Notice to provide disclosure of its properly perfected statutory lien and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions VII, LLC (3198). The Debtors' corporate headquarters is 210 Barton Springs Road, Suite 300, Austin, Texas 78704. The Debtors' service address is 2407 S. Congress Ave., Suite E-101, Austin, Texas 78704.

² See 11 U.S.C. § 546(b)(2).

interests in property pursuant to Chapter 53 of the Texas Property Code.

3. On December 21, 2022 (the "Petition Date"), the Debtors each filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code, thereby initiating the Chapter 11 Cases. The Debtors remain in possession and management of their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

4. No trustee or examiner has been appointed in these Chapter 11 Cases.

5. Prior to the Petition Date, NTC and McCarthy Building Companies, Inc. ("McCarthy") were parties to a contract under which NTC furnished labor and materials in furtherance of the construction and development of public and/or capital improvements to the Core Scientific Denton Data Center located at 8151 Jim Christal Road, Denton, Texas (the "Debtors' Premises").

6. The Debtors' Premises are demised to the Debtors. Core Scientific Operating Company (one of the Debtors) and McCarthy entered into a contract for construction of the improvements at the Debtors' Premises.

7. NTC was not paid and/or compensated in full for its pre-petition services rendered in connection with its work at the Debtors' Premises. As a result, NTC timely filed and recorded its affidavit of lien (Instrument No. 175089) in the real property records of Denton County, Texas, on December 30, 2022 (the "Recorded Lien"). A true and correct copy of the Recorded Lien is attached hereto as "**Exhibit A**" and incorporated herein for all purposes.

8. As of the Petition Date, the Debtor was indebted to NTC in the amount of at least **\$177,554.80**, in addition to other fees, costs, and expenses incurred with respect to the services and benefits conferred, including, but not limited to, NTC's attorneys' fees and other costs in an as yet to be determined amount, to the extent permitted by the Bankruptcy Code and applicable law

(collectively, the "Pre-Petition Indebtedness").

9. The Recorded Lien constitutes a properly perfected Mechanic's and Materialman's Lien against property pursuant to Chapter 53 of the Texas Property Code.³ NTC expressly reserves all rights in and under the Bankruptcy Code, applicable non-bankruptcy law, including, but not limited to, the right to amend or supplement this Notice based on any changes in the representations made herein, including, without limitation, the right to seek or assert additional claims for recovery, as the evidence then available may allow.

10. For the avoidance of doubt, the filing of this Notice is in lieu of seizure of property or commencement of an action to continue perfection of NTC's rights as against the realty and improvements that are subject to the Recorded Lien, and which secure the Pre-Petition Indebtedness, but only to the extent of the Debtor's interest in such property.

11. The filing of this Notice shall not be deemed to waive and/or modify NTC's right to seek relief from the automatic stay to foreclose on its Recorded Lien, or to assert any other additional rights or defenses.

DATED: December 20, 2023.

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³ See TEX. PROP. CODE ANN. § 53.023.

Respectfully submitted,

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**ATTORNEYS FOR NORTH TEXAS
CONTRACTING, INC.**

CERTIFICATE OF SERVICE

I hereby certify that on December 20, 2023, notice of the foregoing document will be electronically mailed to the parties registered or otherwise entitled to receive electronic notices in this case pursuant to the Electronic Filing Procedures in this District.

/s/ Phillip Lamberson
One of Counsel

⁴ Resident of Winstead PC's Houston office located at 600 Travis Street, Suite 5200, Houston, Texas 77002.